ANNEXURE I.

G. O. No. FD 5 BPA 59, dated 17th February 1960. (Magha 28 Saka Era 1881).

Criteria for New Service.

PREAMBLE :—

In Government Order No. FI. (B) 2760-839—BUD 15-51-4, dated 23rd November 1951, orders were issued regarding the interpretation of the term "New Service" in order to meet the requirements of Article 205 of the Constitution of India. The interpretation was evolved by the Public Accounts Committee of the Legislature of the old State of Mysore. After the Reorganisation of States from 1st November 1956, a need arose to review the interpretation of the term in the light of the requirements of the enlarged State. The Public Accounts Committee of the Legislature of new State of Mysore has evolved the interpretation of the term as per Annexure to this Government Order.

ORDER No. FD 5 BPA 59, DATED BANGALORE, THE 17TH FEBRUARY 1960
(MAGHA 28, SAKA ERA 1881).

Government direct that the criteria for a "New Service" as per Annexure should be followed in determining whether a particular item of expenditure, which is not contemplated in the Annual Financial Statement (Budget) is a New Service or not. In cases of doubt regarding the interpretation of the term "New Service", the opinion of the Finance Department is final.

2. The Secretaries to Government and the Heads of Departments should see that no additional expenditure on any item, coming under "New Service" (not included in the Budget), should be incurred as a matter of course.

3. If during the course of the financial year, a need arises to incur additional expenditure over and above the existing provisions under any items or expenditure on items which were not contemplated at the time of preparation of the Budget Estimates and which are proposed to be treated as "New Service", the proposal should be made to the Finance Department through the Administrative Department with the following information :—

(i) why the expenditure could not be contemplated at the time of preparation of the Budget Estimates ;

(ii) why the expenditure cannot be postponed to the next year so that expenditure can be incurred after making necessary provision in the Budget.

By Order and in the name of the Governor of Mysore,

N. S. BHARATH,
Budget Officer and Ex-Officio
Deputy Secretary to Government
Finance Department (Budget).

To—All Secretaries to Government.
All Heads of Department.
The Accountant General, Mysore, Bangalore.

ANNEXURE I—(*contd.*)

No. FD 5 BPA 59, DATED 17TH FEBRUARY 1960.

NEW SERVICE.

Sl. No.	Item of Expenditure	Criteria for treating the expenditure as on a 'New Service'
1	**Additional staff for normal increase of work for a purely temporary need in Government Department.**	The employment of additional staff in connection with an existing service or for a purely temporary need, need not be treated as a 'New Service', whatever be the amount involved. But if the extra expenditure on the expansion of an existing service exceeds Rs 30,000 recurring per annum or Rs. 1,00,000 non-recurring taking the scheme as a whole (*i.e.*, cost of Establishment, Buildings, Equipment, other amenities, etc.) the scheme should be brought specifically to the notice of the Legislature. ILLUSTRATION.—*Extra expenditure on staff in particular establishment*—If, owing to increase in work the number of Typists in all Government Offices is increased or if an extra clerk is given for each Taluk Office owing to the growth of Land Revenue Work the extra cost does not constitute a "New Service" or "New Instrument of Service", as it is obviously the result of a normal growth of Government work. (2) *Introduction of New Schemes.*—If, however, on the introduction of a new scheme (*e.g.*, Community Development Work), an additional Revenue Inspector or Accountant is given to each taluk, the expenditure involved will be one on "New Service" if the total annual cost exceeds Rs. 30,000 as it involved the adoption of a new policy by Government, *i.e.*, the sanction of increase of the cadres of services or number of posts of a particular kind (either permanently or as a temporary measure). (3) Employment of additional staff for reorganisation of an existing Administrative Unit such as the bifurcation of a Revenue or a Police District or the creation of a new Administrative Unit, etc., *e.g.*, a new Public Works Circle, constitutes a 'New Service'. *Explanation.*—The term 'recurring' means the expenditure which extends beyond the financial year in which it is sanctioned.
2	**Cases (Other than those referred to in Sl. Nos. 1, 6 and 8) already approved by the Legislature, but where expenditure is subsequently expected to exceed appreciably the amount originally intimated to the Legislature.**	These cases need not be treated as "New Service" provided the increase over the grant previously voted does not exceed two times the previous grant or Rupees two lakhs whichever is more.
3	**Grants and contributions for existing purposes.**	When the amount involved exceeds Rs. 15,000 recurring or Rs. 50,000 non-recurring.
4	**Works ...**	New works including Electricity Schemes expected to cost more than Rs. 1,00,000. In the case of extensions and improvements the limit is, however, **Rs. 2,00,000.**
5	**Committees constituted by Government from time to time.**	When the expenditure is estimated to exceed Rs. 15,000 per annum recurring or Rs. 50,000 non-recurring.
6	**Revision of scales of pay ...**	When the extra cost exceeds Rs. 50,000 per annum.

ANNEXURE I—(*concld.*)

No. FD 5 BPA 59, DATED 17TH FEBRUARY 1960.

NEW SERVICE.—(*concld.*)

Sl. No.	Item of Expenditure	Criteria for treating the expenditure as on a 'New Service'
7	Experiments, investigations and demonstrations.	As a rule, expenditure on experiments, investigations, etc., need not be treated as on a "New Service". However, all expenditure of this character incurred each year without fruitful results should be reported to the Accountant General for incorporation in the Appropriation Accounts with suitable explanation for report to the Public Accounts Committee in due course.
8	Loans and advances carrying interest not covered by the provisions in the Budget.	When the amount exceeds Rupees one lakh.
	Change in classification of expenditure.	Expenditure on an existing service under one head but involving provision of funds under a different head due to change in classification of expenditure need not be considered as an expenditure on a "New Service".

ANNEXURE I—(*concld.*)

No. FD 5 BPA 59, DATED 17TH FEBRUARY 1969.

NEW SERVICE.—(*concld.*)

Sl. No.	Item of Expenditure	Criteria for treating the expenditure as on a 'New Service'
7	Experiments, investigations and demonstrations.	As a rule, expenditure on experiments, investigations, etc., need not be treated as on a "New Service". However, all expenditure of this character incurred each year without fruitful results should be reported to the Accountant General for incorporation in the Appropriation Accounts with suitable explanation for report to the Public Accounts Committee in due course.
8	Loans and advances carrying interest not covered by the provisions in the Budget.	When the amount exceeds Rupees one lakh.
	Change in classification of expenditure.	Expenditure on an existing service under one head but involving provision of funds under a different head due to change in classification of expenditure need not be considered as an expenditure on a "New Service".